



Economic Alliance of Kankakee County

Community Energy Systems for Economic Development

Request for Information and Qualifications

A. INVITATION: The Economic Alliance of Kankakee County (the Alliance), acting on behalf of the County of Kankakee and the City of Kankakee, is seeking information and qualifications from firms capable of the design, development, construction and operation of an energy production facility within the County or City of Kankakee and a conceptual design of such a project. The Alliance, at its discretion, may qualify one or more Firms to receive an RFP or engage in negotiations after this RFQ process; which may or may not result in energy purchase agreements or other agreements being awarded with respect to the conceptual projects. The Alliance reserves the right to qualify or reject any or all respondents.

This RFQ is neither a call for bids nor a request for proposals. This RFQ and/or the Submission of Qualifications and/or the exercise by the Alliance of any discretion in the conduct of the RFQ process, including the review and evaluation of Qualifications, and/or selection of Firms for negotiations following this RFQ, creates no contractual or other legal relationship, liability or obligation whatsoever between or among the Alliance and any other person, whether or not such person submits Qualifications, except only obligations arising under the Confidentiality and Compliance Agreement referenced herein. Except as aforesaid, no such contractual or other legal relationship, liability or obligation whatsoever arises between the Alliance and any Respondent under the RFQ process.

B. OPPORTUNITY: This RFQ is focused on innovative, community-level or larger, energy supply solutions. The Alliance's preference is for systems able to utilize locally available resources including but not limited to municipal solid waste, biomass, or coal. This RFQ is not intended to solicit wind or solar energy projects. The energy product produced may take the form of electricity (grid or non-grid connected), synthetic natural gas, or high-grade liquid or solid fuels. The Alliance will seek to identify

one or more such projects that can provide cost-effective energy, as well as other quantifiable, local or regional benefits such as improved reliability or job creation. The project design need only be conceptual, with best estimates with regards to requirements, capacity, performance, costs, timelines, etc. The RFQ process is designed to encourage solutions that are tailored to the Alliance's goals and capabilities.

Respondents are encouraged to investigate other sources of municipal, state or federal funding and to demonstrate community involvement or support.

C. ELIGIBILITY REQUIREMENTS

1. Respondent must be fiscally solvent and clearly qualified and experienced in executing the type of project proposed.
2. The process technology proposed must have operated successfully at a scale of at least 30% of the size proposed for the Project.

D. EVALUATION CRITERIA

1. Projects that can demonstrate significant economic development benefits to Kankakee County are preferred.
2. Projects which have been successfully demonstrated both technically and commercially on a commercial scale are preferred.
3. Projects which are able to source feedstock materials locally are preferred
4. Projects which are able to address a portion of the solid waste stream from Kankakee County are preferred.
5. Projects which can demonstrate a positive energy balance and a high net energy efficiency are preferred
6. Respondents who are clearly experienced and qualified are preferred.
7. Respondents that can demonstrate adequate fiscal resources and access to capital to execute the proposed project.

E. SUBMISSION REQUIREMENTS

1. Mandatory Deadline for Proposal Submission: Submittals must be delivered to the RFQ Administrator at the address indicated on or before **4:00 p.m. CDT** on **October 1, 2010**.

Late submissions will not be considered and will be returned to the Respondent unopened.

All submissions and pre-submittal communications with the Alliance regarding this RFQ should be directed to the RFQ Administrator as follows:

Kankakee Community Energy RFQ Administrator

% Patrick Engineering, Inc.

300 West Edwards St., Suite 200

Springfield, IL 62704

Phone: 217-525-7050 Fax: 217-525-7053

rswager@patrickengineering.com

2. Confidentiality Agreement: If the Respondent wishes to implement the Confidentiality Agreement, Two completed and signed copies must be sent to the RFQ coordinator, **at least three weeks prior to submission**. The Alliance will sign and return a copy to the respondent.

3. Application Fee: Submittals of qualifications must be accompanied by a non-refundable application fee of **\$1000.00** payable to the Economic Alliance of Kankakee County. This application fee is to offset the cost of professionals retained to assist in reviewing qualifications.

4. Qualifications Package Contents: Submittals should be in a sealed package marked "Community Energy Systems RFQ, Submittal from [insert name of Respondent]", and bear a return address.

Submittals should be prepared in the format, and should contain the information, required by the Submittal Guide. **Read the Submittal Guide carefully and ensure that the Submittal contains detailed responses to all applicable items.** The Alliance may, but is not obliged to, seek further information and clarification from Respondents concerning their Submittals. However, Respondents should **not** assume that any opportunity will be given to clarify and/or supplement incomplete or unresponsive Submittals before evaluation and possible interviews.

Any submittals by general partnerships (*i.e.* not limited partnerships or limited liability partnerships), joint ventures, consortia, or otherwise by multiple parties should be signed by a person or persons authorized to bind all partners, consortium members, joint venturers or multiple parties, as the case may be, each of whom will be jointly and severally, and not severally only, liable under any agreement entered into in connection with this RFQ.

5. Other Matters: Submittals will not be opened publicly. Qualification documents (excluding any proprietary intellectual property embodied therein) become the property of the Alliance, and will not be returned to Respondents, except in the case of late Submittals.

A Respondent may withdraw its Submittal by written notice to the RFQ Administrator at any time during the RFQ process. A Submittal, if withdrawn after the submission deadline time shown on the RFQ Timetable, cannot be resubmitted by the Respondent and/or an Affiliate in the same or an amended form under this RFQ, and the Respondent's registration in the RFQ process will be terminated as of the time of withdrawal.

The Alliance, in its discretion, may waive any and all failures of a Respondent or a Submittal to comply with the terms of this RFQ, whether or not the failure is material. However, Respondents should note that non-compliance, even if waived, may be considered in the Alliance's evaluation of Proposals.

F. POST-SUBMITTAL PROCESS: The Alliance, in its discretion, may invite in-person presentations and/or engage in written and/or in-person interviews from or with one or more, but not necessarily with any or all, Respondents, after the submission deadline. The purpose of such interviews, if any, may include clarification of the project or any part thereof. Any such interviews will be strictly scope and time disciplined as determined by the Alliance. Within 90 days of the submission deadline, the Alliance will notify each Respondent, if any, with which it intends to conduct interviews of the scope and schedule of those interviews.

Interviews, if any, will be undertaken with a Respondent solely upon the Alliance's invitation. Respondents should not assume that they will be invited to engage in interviews. Accordingly, all Respondents should endeavor to prepare Submittals that are complete, clear and capable of being fairly evaluated without post-submission interviews.

Interviews are confidential, as provided in the Confidentiality and Compliance Agreement.

G. ANTICIPATED POST-RFQ STEPS: At the conclusion of the RFQ process, the Alliance expects to enter into bilateral negotiations with a select number of qualified Respondents in order to conclude an energy purchase agreement or other agreement for one or more Projects. A broad range of contractual arrangements may be developed to be responsive to the strengths of each Project. As part of these agreements, the Alliance may:

1. Assist with site location, acquisition and zoning.
2. Identify Tax Increment Finance (TIF) districts available for development loans.
3. Identify tax exemption opportunities for High Impact Businesses or in Enterprise Zones.
4. Support siting and permit applications

SUBMISSION GUIDELINES

Purpose

This document is a guide to the information that each Respondent should provide as part of its Submittal. The Submittal should contain information concerning the Respondent and the Project that will allow the Alliance to determine whether the Project meets the eligibility requirements of the RFQ and to complete the evaluation of the Project.

General Instructions

The Submittal should not contain general corporate brochures or other promotional material of a general nature.

The Submittal should be organized to follow the numbering system and the headings set out in these instructions. If a particular heading is inapplicable, retain the number and heading and insert "Not applicable".

If an instruction calls for the submission of applications, reports, agreements, plans, schedules, resumes, studies or other documents, those documents should be referenced in the text as an Exhibit. Exhibits should be numbered sequentially and tabbed at the end of the Proposal.

The Submittal should include a Table of Contents with page numbering references, following the numbering system and headings in these instructions, and include a listing of Exhibits.

A Respondent should be fully responsive to each instruction, as applicable to the Respondent and its Project. However, financial and technical descriptions of the conceptual project do not need to be excessively detailed. If a Respondent is in any doubt as to the requirements contained in these instructions, it should seek clarification from the RFQ administrator.

Submittals should include: one hard copy and one electronic copy (on a CD-ROM) and be sealed in a separate envelope.

PART 1. THE RESPONDENT

If the Respondent is a public company (i.e. its shares or other securities are listed on a recognized stock exchange), the Respondent may choose to include a copy of its latest Annual Report as an Exhibit.

1.1 Respondent Identity:

- (a) State the Respondent's full legal name, form of organization (e.g. corporation, general partnership, limited partnership, local government, public institution, joint venture), jurisdiction in which the Respondent is incorporated or formed, the date on which it was incorporated or formed and any incorporation or similar identifying number, the date and number of registration in Illinois, if applicable, the street and mailing address(es) of the Respondent's principal place of business, its general telephone and fax number and its website address, if any.
- (b) Except in the case of a limited partnership, if the Respondent is a general partnership, joint venture or otherwise consists of two or more legal entities, provide the information described in (a) for each such entity.
- (c) If the Respondent is a limited partnership, provide the information described in (a) for the partnership and the general partner only.
- (d) Provide a Dun & Bradstreet D-U-N-S number

1.2 Ownership:

- (a) If the common shares or similar ownership interests of the Respondent are listed on a stock exchange, state the name of the exchange and applicable trading symbol.
- (b) If the common shares or similar ownership interests of the Respondent are not listed on a stock exchange, state the full name and principal business or resident address of each public company or other person who holds, directly or indirectly, an equity ownership interest in the Respondent equal to or greater than 10%. Include an ownership chart where such a chart can best describe the Respondent's ownership structure.

1.3 Bankers, Auditors and Advisors:

- (a) State the name and address of the Respondent's principal financial institution(s).
- (b) State the name of the Respondent's auditors, or if financial statements are not subject to audit, state the name of the Respondent's principal external accountant, if any.
- (c) State the name and address of the Respondent's principal legal advisor relative to the Proposal. Include the name and location of the firm and/or in-house legal department and the lawyer primarily responsible for advising the Respondent on the Project.

1.4 Strategic Partners and Affiliates:

Identify any significant third parties that would be involved in implementing the project, and the nature of that involvement,

1.5 Qualifications:

- (a) Provide names and resumes of all project management and senior staff identifying previous experience in developing projects of the type proposed or similar projects. Respondent should demonstrate its capabilities in:

- Site acquisition and development
- Siting and Permitting
- Facility design
- Construction and construction management
- Utility interconnection (if appropriate)
- Plant operations
- Fuel/feedstock procurement

(b) Provide an overview of projects similar to the Project in size and scope in which the Respondent and/or its Affiliate(s) has brought to commercial operation. The overview should include a table that includes the following information:

- name, location and type of project;
- actual or expected commercial operation date;
- nameplate size of the project ;
- total project cost to be financed with equity and with debt;
- sources of financing (equity and debt); and
- lead arranger(s) or underwriter(s) for the required debt and equity, if applicable.

1.6 Professional References

Attach letters of reference from clients, communities or other entities with knowledge of the respondent's experience, competence and reliability.

1.7 Solvency:

Provide at least two years of audited financial statements for the Respondent company. If statements are not subject to audit, provide unaudited financial statements for the last two (2) completed fiscal years, the most recent quarterly or semi-annual financial statement, and a statutory declaration of an officer of the Respondent, equity provider or guarantor stating that such financial statements present fairly, in all material respects, the financial position of the entity, in conformity with Generally Accepted Accounting Principles (GAAP).

PART 2. THE PROJECT

2.1 Project Description:

Provide a general technical description of the Project, including:

- (a) A brief description of the Project's process technology. Confirm whether this technology is readily available, in commercial markets and/or in commercial use. Identify the principal manufacturers or suppliers of this technology
- (b) If the Project's technology is in commercial use, identify other existing generation plants (which need not be owned or operated by the Respondent) producing an energy product using the same or essentially similar technology. For each existing plant, include, at a minimum, the name and location of the plant, the name of the plant owner, the date when the generation technology was installed, and the plant capacity.
- (c) The proposed size of the facility in terms of the energy product output.
- (d) A process block diagram of the process showing all material flows, energy inputs and sources of emissions or waste products
- (e) A description of the process to convert input materials to the energy product. Include approximate temperature and pressure regimes for each process step.
- (f) The projected consumption of raw materials, including fuel/feedstock(s), water, and energy from off-site suppliers. If applicable, discuss the possible uses of treated wastewater in the production process.
- (g) The projected production of air emissions including CO₂, and liquid and solid wastes. Discuss the general nature of pollution controls to be used to protect the environment. If applicable, discuss the manner of sequestering or offsetting CO₂ emissions.
- (h) A list and outline of general specifications of major equipment,
- (i) An outline specification of all significant structures (e.g. buildings), including approximate dimensions;
- (j) Describe the volume of on-site, or local, storage for fuel/feedstock(s) that is included in the Project design.
- (k) The approximate total land area required for the facility and a conceptual plant layout. If a potential site has been identified, provide a map of the location and the ownership status.
- (l) The infrastructure requirements for the facility, including transportation and utilities. Describe any infrastructure necessary to procure, process, transport, receive, store and handle any fuel/feedstocks required for the Project.
- (m) Identification of any permits or approvals required for construction and operation and for completion of any required infrastructure improvements.
- (n) Such other technical description and data as the Respondent believes will give the Alliance a clear understanding of the plant specifications and technical configuration; and
- (o) Such other system integration information as the Respondent believes will give the Alliance a clear understanding of how the plant/process design will mitigate technical, financial or fuel risk, increase system efficiency, and/or take advantage of local resources and infrastructure.

2.2 Project Operations

- (a) How many persons will the plant employ on a permanent basis?
- (b) Describe the types of jobs created and their potential pay scales and benefits.

- (c) Describe the Respondent's plan to procure and transport the fuel/feedstocks, as applicable, in sufficient quantities to operate the Project.
- (d) Discuss health, safety and environmental issues arising from the plant operation.

Part 3. THE ECONOMICS

Provide your best available estimates of the fiscal aspects relating to the economic feasibility of the project including:

3.1 Construction costs:

Discuss the time required and total projected costs to bring the project to full-scale commercial operation. Include allowances for all hard and soft capital costs, interest during construction, owner contingencies and working capital requirements. Provide estimates of the schedule and costs broken down by:

- (a) Site acquisition and site development
- (b) Engineering design
- (c) Infrastructure improvements
- (d) Plant construction
- (e) Process validation and commissioning

3.2 Operating costs:

Discuss the projected operating costs for labor, materials, fuel/feedstocks, contractual services and utilities per unit of energy product.

3.3 Product pricing:

Discuss the current market value of the proposed energy product. Estimate the necessary fuel/feedstock price(s) or tipping fee necessary to produce the energy product at a competitive price.

3.4 Financing

- (a) Describe the proposed method of financing the Project during each of the development, construction, and operating phases, including a description of:
 - capital structure, including the percentage of total Project cost to be financed with equity and with debt;
 - sources of financing (equity and debt), including any guarantor support;
 - form of equity financing (e.g. cash injection, contributions in kind, government grants, share issuance, subordinated debt);

- form of debt financing (e.g. on-balance sheet, bank financing, bond issuance); and
 - the lead arranger(s) or underwriter(s) for the required debt and equity, if applicable.
- (b) Describe the nature of the relationship between the Respondent and any entity or institution to be employed in the financing of the project, and the background and experience of the entity or institution in financing such projects.
- (c) Describe the form and amount of financing assistance that is requested from the Alliance and the community.

CONFIDENTIALITY AND COMPLIANCE AGREEMENT

This Confidentiality and Compliance Agreement (the “*Agreement*”) is made as of _____, 2009 BY AND BETWEEN

[INSERT FULL LEGAL NAME OF RESPONDENT], of [INSERT FULL ADDRESS WITH ZIP CODE]
(“*The Respondent*”)

AND

Economic Alliance of Kankakee County, a public-private partnership,
having an office at 200 E. Court Street, Kankakee, IL 60901

(“*The Alliance*”)

(the foregoing may be referred to individually as a “*Party*” or collectively as the “*Parties*”)

WHEREAS:

- A. The Alliance has issued a Request for Information and Qualifications dated _____ for the design, development, construction and operation of an energy production facility within the County or City of Kankakee (the “*RFQ*”);
- B. The Respondent intends to participate in the procurement process therein described (the “*RFQ Process*”);
- C. The Respondent may submit to The Alliance a qualifications package, and further information relative thereto; and
- D. The Alliance may conduct discussions, which may include negotiations, with the Respondent after receipt of qualifications

NOW THEREFORE, in consideration of the Parties entering into this Agreement and the mutual promises and agreements contained in this Agreement, the Parties agree as follows:

1. DEFINITIONS

1.1 **Confidential Information.** “*Confidential Information*” means the Respondent’s Qualifications and information package that the Respondent submits to The Alliance, or any pre-submission or post-submission information regarding the submittal, the Project described therein, or related industrial facilities or businesses of the Respondent, whether or not designated expressly as confidential, that is disclosed or expressed, whether orally, in writing, electronically or by any other media, by the Respondent to The Alliance during the course, or in furtherance, of the RFQ Process, but excluding any executed and delivered economic partnership agreement and/or other agreement(s) entered into between the Parties pursuant to the RFQ Process, and also excluding information that:

(a) is or becomes in the public domain, other than as a result of a breach of this Agreement by The Alliance; or

(b) is known to The Alliance before disclosure to it by the Respondent, or becomes known to The Alliance thereafter by way of disclosure to The Alliance by any other person who is not under an obligation of confidentiality with respect thereto.

1.2 **Discussions.** “*Discussions*” means discussions, including negotiations, between The Alliance and the Respondent occurring after submission of the Respondent’s Proposal and pertaining thereto until such discussions are terminated or an economic partnership agreement and/or other agreement(s), if any, is entered into between the Parties pursuant to the RFQ Process.

2. CONFIDENTIALITY OBLIGATION

2.1 **Confidentiality Obligation.** The Alliance shall treat as confidential, and shall not disclose to any third person, Confidential Information, and both Parties shall treat as confidential and shall not disclose to any third person, all or any part of the Discussions, provided however that the foregoing obligations, and nothing in this Agreement, prevents or restricts:

(a) disclosure of the fact that Discussions, if any, are occurring, or have occurred, and/or the fact that this Agreement exists and the general nature hereof;

(b) in the case of The Alliance, disclosure of the Discussions and/or Confidential Information:

- i. to any officials or employees of the State Of Illinois; and
- ii. to its directors, officers, employees and subsidiaries, consultants and advisors; provided that each of the foregoing to whom Discussions and/or Confidential Information is disclosed is advised of the confidential nature thereof;

(c) in the case of The Alliance, disclosure of Discussions and/or Confidential Information in any regulatory proceeding, whether in respect of an economic partnership agreement and/or other agreement(s) entered into with the Respondent pursuant to the RFQ Process or in respect of other matters, to the extent that The Alliance considers disclosure necessary or desirable to support its position in any such proceeding, provided that, to the extent reasonably practicable, The Alliance gives reasonable notice to the Respondent before making the disclosure, and, to the extent requested by the Respondent, requests the relevant tribunal to treat all or any part of the disclosure as confidential or to limit its further disclosure;

(d) in the case of The Alliance, disclosure of:

- i. the Respondent’s questions in the Q&A process under the RFQ; and
- ii. the Respondent’s participation in the RFQ Process, or the location of any Project proposed by the Respondent;

(f) in the case of the Respondent, disclosure of Discussions to its directors, officers, employees and Affiliates, consultants and advisors, provided that each of the foregoing to whom Discussions are disclosed is advised of the confidential nature thereof;

(g) without limiting The Alliance’s disclosure rights under subsection 2.1(c) above, disclosures required to be made by The Alliance or the Respondent by an order of a court or tribunal or under any law, regulatory requirement or requirement of any stock exchange that is binding upon it, provided that,

- i. to the extent reasonably practicable, the Party making such disclosure gives reasonable notice to the other Party before making the disclosure, and
- ii. limits the disclosure to that required by the applicable order, law, or regulatory or stock exchange requirement;

(h) disclosures in any legal proceedings for the enforcement of any agreement referenced in section 2.2; or

(i) disclosures of the Discussions and/or Confidential Information by agreement or consent of both Parties, including pursuant to the Disclosure Statement.

2.2 Disclosure of Economic Partnership Agreement. Disclosure of any executed economic partnership agreement and/or other agreement(s) entered into with the Respondent pursuant to the RFQ Process, or any summary thereof or information contained therein, will be governed by the economic partnership agreement and/or other agreement(s), if any.

2.3 Freedom of Information Act. The Respondent acknowledges that The Alliance is subject to the State of Illinois *Freedom of Information Act* and associated regulations, and agrees that The Alliance's non-disclosure obligations under this Agreement are subject to the provisions of that legislation, as the same may be amended or replaced from time to time.

2.4 Liability Exclusion. In no event will either Party be liable to the other Party in connection with any breach of this Agreement for any indirect, incidental or consequential damages, including loss of profits.

2.5 Term. The obligations of the Parties under this section 2 expire upon the earlier of (i) full execution and delivery of an economic partnership agreement and/or other agreement(s), if any, entered into between the Parties pursuant to the RFQ Process (whereupon matters of confidentiality shall be governed exclusively by any such agreement), and (ii) three years after the date hereof.

3. COMPLIANCE OBLIGATION

The Respondent acknowledges and agrees that it is bound by, and will comply with, the terms and conditions of the RFQ in relation to its participation in the RFQ.

4. MISCELLANEOUS

4.1 Governing Law. This Agreement shall be interpreted, governed and construed under the laws of the State of Illinois and the laws of The United States applicable therein as if it were executed and to be performed wholly within the State of Illinois.

4.2 Equitable Relief. Each Party agrees that in the event of a breach of this Agreement, or to prevent a breach or contemplated breach, by that Party, the other Party shall be entitled to equitable relief, including injunction and specific performance, in addition to all other remedies available at law or equity.

4.3 Entire Agreement. This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes and cancels all prior agreements and communications relative to such subject matter.

4.4 Amendments. This Agreement shall not be modified, except by a written agreement dated after the date of this Agreement and signed by both Parties.

4.5 Assignment. This Agreement may not be assigned by either Party without the prior written consent of the other Party.

4.6 Enurement. This Agreement shall be binding upon and enure to the benefit of the Parties and their respective successors and permitted assigns.

4.7 Execution in Counterpart. This Agreement may be executed in counterparts, and each counterpart shall for all purposes be an original, and all such counterparts shall together constitute

one and the same Agreement. Execution by either Party of a facsimile copy of this Agreement will be deemed to constitute effective execution of this Agreement by that Party.

4.8 **Relationship.** Entering into this Agreement shall in no way be construed to:

- (a) preclude in any way either Party from pursuing any business opportunities;
- (b) establish any relationship between The Alliance and the Respondent with respect to such business opportunities; or
- (c) establish any other relationship between The Alliance and the Respondent with respect to the Project.

IN WITNESS WHEREOF, the Parties have entered into this Agreement effective as of the date first above written.

Economic Alliance of Kankakee County By:

Signature:

Name:

Title:

Full legal name of Respondent By:

Signature:

Name:

Title: